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**TESTIMONY OF**  
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**BEFORE THE**  
**SUBCOMMITTEE ON ECONOMIC OPPORTUNITY**  
**COMMITTEE ON VETERANS' AFFAIRS**  
**U.S. HOUSE OF REPRESENTATIVES**

**LEGISLATIVE HEARING ON THE TOPIC OF:**  
**"THE ROLE OF THE STATE APPROVING AGENCIES IN ENSURING QUALITY EDUCATION**  
**PROGRAMS FOR VETERANS"**

**NOVEMBER 19, 2014**



Chairman Flores, Ranking Member Takano and members of the Subcommittee:

Thank you for inviting Student Veterans of America (SVA) to submit our testimony on “The Role of the State Approving Agencies in Ensuring Quality Education Programs for Veterans.” With over 1,100 chapters across the country, we are pleased to share the perspective of those most directly impacted by this subject with this committee.

Established in 2008, SVA has grown to become a force and voice for the interests of veterans in higher education. With a myriad of programs supporting their success, rigorous research development seeking ways to improve the landscape, and advocacy throughout the nation, we place the student veteran at the top of our organizational pyramid. As the future leaders of this country, nothing is more paramount than their success in school to prepare them for productive and impactful lives.

With this opportunity to discuss the State Approving Agencies (SAA) and the National Association of State Approving Agencies (NASAA), we will highlight their mission, effectiveness, and recent legislative proposal.

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## **Reviewing the Organization**

With only 230 staff across 49 states, the SAA are responsible for over 7,000 facilities and more than 100,000 programs; this, in addition to over one million users of GI Bill benefits annually.<sup>1</sup>

Congress effectively established the SAA in 1945 when they passed Public Law 79-268, requiring state governors to appoint their own approval agencies. The law came just one year after the passage of the Servicemember Civil Relief Act, commonly known as the first GI Bill.<sup>2</sup> Last year’s annual report from NASAA notes that, “the SAA was the answer to the problems of abuse experienced by the [1944 GI Bill]. Congress believed that the state’s control of education approval of its programs were the best avenue to safeguard both veterans and institutions.”<sup>3</sup>

As a mechanism to prevent so-called “fly-by-night” schools from taking advantage of returning veterans seeking degrees in higher education, the SAA became the front-line defense to ensure those veterans received a quality education. As a front-line advocate, the stated mission of the SAA is, “to ensure the quality and integrity of programs of education and training for the use of GI Bill benefits”, making the SAA integral partners in higher education for student veterans.<sup>4</sup> Among their duties, three specific areas represent a competitive advantage over other industry experts: approvals, technical advice, and training.

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<sup>1</sup> Approximately 55 SAA professionals operate under state governors, along with roughly 175 supporting staff.

<sup>2</sup> Congressional Research Service, “Veterans’ Education Assistance Programs”, 1986.

<sup>3</sup> <http://digitalcollections.library.cmu.edu/awweb/awarchive?type=file&item=710713>.

<sup>3</sup> National Association of State Approving Agencies, “FY2013 Annual Report”, 2013. <[http://www.nasaa-vetseducation.com/nasaa/media/news/NASAA\\_Annual\\_Report\\_FY2013.pdf](http://www.nasaa-vetseducation.com/nasaa/media/news/NASAA_Annual_Report_FY2013.pdf)>.

<sup>4</sup> National Association of State Approving Agencies, “FY2013 Annual Report”, 2013. *ibid*



With the development of the Joint Advisory Committee (JAC) between the Department of Veterans Affairs (VA) and the NASAA in 2014, the long-standing relationship between the two major entities overseeing the administration of quality programs using the GI Bill was formalized with a new link for communication.<sup>5</sup> However, recent changes to the role of the SAA has affected the allocation of finite resources from the areas where they are needed most.

In 2011, Public Law 111-377 impacted how the SAA are expected to operate.<sup>6</sup> Responsibility for performing approvals was split to include the Secretary of VA, while the SAA were expected to increase their role in compliance measures of schools. The NASAA Annual Report points out that, "...in addition to performing our other mission requirements, state approving agencies performed more than half of the compliance surveys conducted last year."<sup>7</sup> This shift in resources away from their critical duty to perform approvals has diverted specialized resources away from their mission-critical functions.

The current structure is dependent on the governor of each state, making the SAA local experts. Their purview at the state level is a function of education being an inherently state-level role. It is reasonable that they should continue to deliver this local expertise, with the support of the national perspective provided by NASAA. In addition to expertise in higher education, the SAA bring another implicit capability which should be given greater emphasis: their capacity for judicious discretion.

Recent discussion in higher education on the Department of Education's new "Gainful Employment Rule" makes it clear that there is some level of desire to protect students from potentially ineffective programs. However, such a rule is applied without discretion for the programs—for better or for worse. The fact that it is not readily clear what schools are impacted by the new rule illustrates the possibility for unscrupulous schools to "game the system" by manipulating their data.<sup>8</sup> Fortunately for student veterans, the SAA across the country have the ability to call for a review of a school even if no specific standards are triggered.

Such discretion from experts in higher education is a necessary and advantageous capability that the SAA bring to the table. Despite the successes of the SAA, some improvements stand to be made. These improvements largely stem from the need to increase the authority of their professionals, along with important modifications that should be considered for their mandated areas of responsibility.

### **Improving Quality for Student Veterans**

The goal of the SAA, in our view, should be to have their success go unseen by the student veteran. If the SAA perform their job well, the true beneficiaries should be unaware. Those that benefit from the due diligence of these professionals are the student veterans on campuses nation-wide. Student veterans who successfully transition demonstrate the importance of the work performed by the SAA—that these student veterans can count on receiving a quality education for the GI Bill benefits they earned for their time in

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<sup>5</sup> National Association of State Approving Agencies, "Timeline", 2014. <<http://www.nasaa-vetseducation.com/About/Timeline.aspx>>.

<sup>6</sup> Government Printing Office. "Public Law 111-377", 2011. <<http://www.gpo.gov/fdsys/pkg/PLAW-111publ377/pdf/PLAW-111publ377.pdf>>.

<sup>7</sup> National Association of State Approving Agencies, "FY2013 Annual Report", 2013. *ibid*

<sup>8</sup> EdCentral "Here's Why Gainful Program Impact Estimates Vary So Much", 2014. <<http://www.edcentral.org/gainful-programs/>>.



service. Indeed, they do not have to question whether or not their GI Bill benefits will be well-spent, as the SAA provide necessary oversight to ensure their education will be one of quality. To improve the effectiveness of the SAA for student veterans, several things should be addressed regarding their authorities and resources.

SVA believes that the assumed approval of schools is risky for student veterans. Though a school was previously approved, that is no guarantee that future educators or administrators will take the same care and attention towards safeguarding the level of quality that previous educators conferred. By requiring that the SAA review all new or altered programs, regardless of previous approvals, the effectiveness of these efforts would increase. On the other side of the issue, requiring annual reviews expends resources for the SAA to ensure programs that have not changed. The best allocation of SAA resources would be to require them to review any program that changes, but no more.

VA being included in the approval process is also an issue worth reviewing; the responsibility is no longer solely with the SAA. However, the SAA has the proper expertise in higher education as well as rigorous training, putting them in the best position to properly review and approve programs. This authority should be returned to the SAA, given their subject-matter knowledge in the field. With the exception of approving overseas schools, or programs in the states where a governor has not designated an SAA, this solution is the most beneficial for the end-user of these institutions, the student veteran.

Regarding resources, the law as it stands, mandates that the SAA spend additional resources on completing compliance surveys. As noted previously, this is not a core competency of the SAA; it is more of an audit function. By directing SAA resources toward administrative functions, the valuable skills of the SAA professionals are not being fully utilized. However, if this stands to remain as a primary function of the SAA, additional resources should be afforded so that they may continue to perform in their core areas.

### **Strengthening the Law, Achieving Results**

The SAA are the strongest enforcement mechanism to ensure the quality of programs for student veterans in higher education. SVA accepts the legislative proposal put forth by NASAA including the following recommendations:

- Clarify and codify state approval authority and oversight over all non-federal facilities
- Explore appropriate changes to 38 USC 3693 that maximizes the opportunity to protect the GI Bill

By implementing these recommendations, the SAA can be a partner in preventing taxpayer money from going to wasteful schools. The ultimate beneficiary of the stricter expectations of quality for programs are at the center of the equation: the student veteran themselves.

In addition to these recommendations, SVA recommends that greater emphasis be placed on the JAC between VA and NASAA. The flow of open communication between these two entities is essential. The long-standing need for increased authority of the SAA has been evident throughout the last 70 years. In the 95<sup>th</sup> Congress, proposals sought to establish greater communication among the relevant parties overseeing the administration of the GI Bill, including H.R. 2231. That legislation proposed in part, that,



"...the [VA] Administrator to establish between the Administration, the State approving agencies and nationally recognized accrediting agencies and associations, an exchange of information pertaining to activities of educational institutions, especially to the enforcement of approval standard and enrollment restrictions and fraudulent and other criminal activities on the part of persons connected with the institution; and directs the Administrator to furnish the U.S. Attorney General, the Department of Defense, the Department of Health, Education and Welfare, the Federal Trade Commission, the Federal Communications Commission and other Federal, State and local agencies such information and assistance as may be necessary to preclude abuses or enhance the effectiveness of the programs established hereunder."<sup>9</sup>

The clarification and codification of SAA authority, more efficient allocation of compliance resources, and increased communication among relevant parties will result in a better environment for student veterans to succeed.

### **Our Final Thoughts**

We believe the approval process to be the preventative medicine for issues that would otherwise stem from low-quality programs underserving the interests of student veterans. The proper authority, the ability to focus on school approvals, technical assistance, and training will allow the SAA to be much more effective at their mission of serving student veterans by ensuring they are being enrolled in quality programs. While compliance is an important part of this process, the SAA expertise in higher education should not be spent on this component, at the expense of other areas which fall under the core competency of SAA professionals.

Challenges presented by compliance become much more manageable when issues and challenges can be proactively prevented. By empowering the SAA to pursue their mission within the original intent of congress, student veterans will be well-served in their pursuit of a meaningful education.

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We thank the Chairman, Ranking Member, and the subcommittee members for your time, attention, and devotion to the cause of veterans in higher education. As always, we welcome your feedback and questions, and we look forward to continuing to work with this subcommittee, the House Committee on Veterans' Affairs, and the entire Congress to ensure the success of all generations of veterans through education.

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<sup>9</sup> "H.R. 2231 — 95th Congress: Comprehensive Veterans Readjustment Assistance Act." [www.GovTrack.us](http://www.GovTrack.us). 1977. <<https://www.govtrack.us/congress/bills/95/hr2231>>.